



Fearnleys Weekly Report

Activity level

VLCC	Suezmax	Aframax	P.E. of Suez	P.W. of Suez
Firm	Firmer	Mixed	Stable	Stable

	Last week	Prev. week
VLCCs fixed all areas last week:	63	61
VLCCs avail. in MEG next 30 days:	125	128

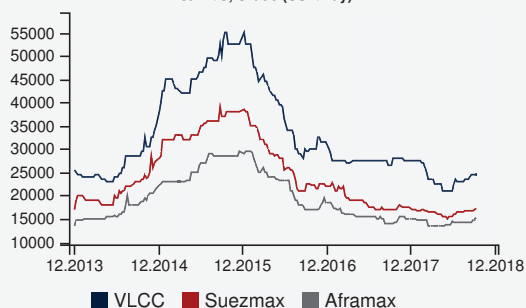
Rates

DIRTY (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / West	VLCC	24.00	23.00	16.00	26.00
MEG / Japan	VLCC	59.50	55.00	35.00	59.50
MEG / Singapore	VLCC	59.50	55.00	35.50	59.50
WAF / FEAST	260,000	59.00	55.00	37.50	59.00
WAF / USAC	130,000	72.50	67.50	50.00	75.00
Sidi Kerir / W Me	135,000	95.00	80.00	55.00	95.00
N. Afr / Euromed	80,000	117.5	100.0	75.00	145.0
UK / Cont	80,000	105.0	107.5	90.00	125.0
Caribs / USG	70,000	150.0	150.0	80.00	155.0

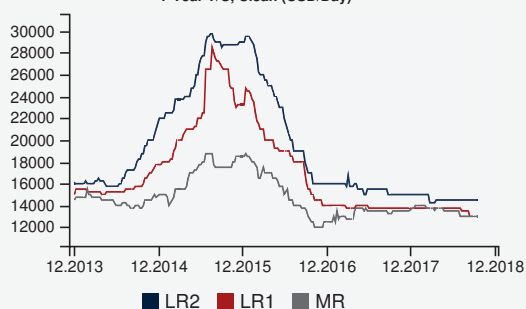
CLEAN (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / Japan	75,000	105.0	97.50	80.00	120.0
MEG / Japan	55,000	120.0	112.5	90.00	120.0
MEG / Japan	30,000	115.0	115.0	110.0	150.0
Singapore / Japan	30,000	125.0	125.0	120.0	150.0
Baltic T/A	60,000	105.0	102.5	75.00	145.0
UKC-Med / States	37,000	105.0	105.0	100.0	165.0
USG / UKC-Med	38,000	105.0	100.0	67.00	135.0

1 YEAR T/C (usd/day) (theoretical)		This week	Last week	Low 2018	High 2018
VLC	(modern)	24 500	24 500	21 000	27 500
Suezmax	(modern)	17 250	17 000	15 000	17 250
Aframax	(modern)	15 250	15 000	13 500	15 250
LR2	105,000	14 500	14 500	14 250	15 000
LR1	80,000	13 000	13 000	13 000	13 750
MR	47,000	13 000	13 000	13 000	14 000

1-Year T/C, Crude (USD/Day)



1-Year T/C, Clean (USD/Day)



TANKERS

Crude

Decent activity in all areas last week as the VLCC Owning community are collectively pushing for stronger rates. Tight tonnage lists in the east, along with stronger bunker prices and increased volumes out of West Africa and South America are factors that contributes to the rates closing in on the W60-mark for Meg-Wafr/east voyages. Even with the current firmer trend, TCE for Wafr/east voyages are still just below \$20k pdpr. We have experienced a active fixing week on Suezmaxes, specially form Med/Bsea. Rates specially for East destination have firmed not only due to higher bunker prices but also due to more delays in Turkish Straits. Td 20 has not seen the same development and remained flat , however we expect on the back of firmer rates in other west areas to see the rates increase here as well the next few days. The North sea and Baltic markets remained firm over the weekend, and with a decent amount of activity for a Monday rates keep moving ever so slightly upwards. Once again it was the lack of owners willing to give short options out of Priorsk and Ust Luga that made it move a few point. Should move sideways going forward as supply and demand seems well balanced. In the Med and Black Sea we have seen quite good activity the last week. There are still available ships around, but with the tonnage list looking a bit tighter owners have been doing a good job keeping the market at three digits. Going forward we expect increasing delays in Turkish Straits and usually that's a good indicator on higher rates.

Product

EAST OF SUEZ With the ongoing festivities and high spirits in Singapore this week it seems the market in the Middle east gulf has followed suit. Both LR1's and LR2's have seen an increase in rates obtained this week and it seems this positive trend could continue. The result has been that both segments have seen a ws7,5 point increase this week to ws105 for LR2 and ws120 level for LR1's fixing eastwards. For westward destinations rates have increase to lumpsum USD 1,9 mill for LR2's and USD 1,550 mill for LR1's Unfortunately it seems the MR's in the region have not been invited to the party and west coast India to Far East is still at ws115 level. No change either in the Far east with the short haul voyage from south Korea to Japan still trading at USD 240.000 level and Singapore to Japan basis 30.000 is still at ws125. **WEST OF SUEZ** In the western hemisphere the action has been more muted and rates are more or less the same as last week. MR concluding business from the Continent to States are still fixing in the ws105 region. The back haul cargo from U.S. gulf moving slightly Up ws5 point to ws105. For owners triangulating the daily return is still around the USD 8.000 mark per day. LR1's trading to west Africa are still being paid in the region of ws105. The slowly upward trending rate for LR2's from the Mediterranean to the Far East has continued this week and today the rate is at about lumpsum USD 1,8 mill. for the Handies trading in the Mediterranean rates have moved from ws115 level to ws130 today whilst their sisters on the Continent are still fixing at ws130 level.



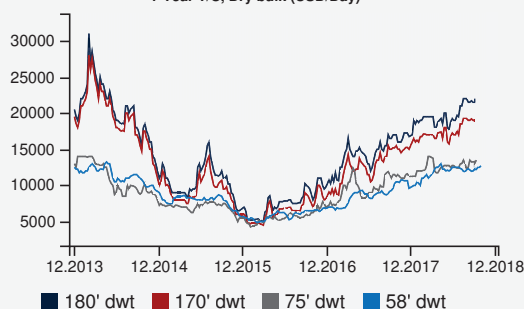
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Activity level

Capesize	Panamax	Supramax
Slow	Firmer	Stable

Rates	This week	Last week	Low 2018	High 2018
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	38 000	35 000	18 000	44 000
Tubarao / R.dam (Iron ore)	7.65	8.00	5.30	11.50
Richards Bay/R.dam	10.21	8.00	5.40	12.30
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	14 000	12 000	7 100	15 000
TCT Cont / F. East	21 500	19 800	15 000	21 800
TCT F. East / Cont	5 150	4 950	4 300	5 200
TCT F. East RV	13 000	12 500	8 300	13 750
Murmansk b.13-ARA 15/25,000 sc	8.40	8.30	6.40	9.00
SUPRAMAX (usd/day)				
Atlantic RV	15 000	14 500	11 000	16 000
Pacific RV	11 700	11 500	8 000	12 500
TCT Cont / F. East	18 000	17 500	16 000	20 500
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	22 000	21 500	17 000	22 000
Capesize 170,000 dwt	19 000	19 000	15 750	19 250
Panamax 75,000 dwt	13 500	13 000	11 250	14 000
Supramax 58,000 dwt	12 700	12 500	10 000	13 000
Baltic Dry Index (BDI):	1503	1373	n/a	n/a

1-Year T/C, Dry bulk (USD/Day)



Activity level

COASTER	15-23,000 cbm	82,000 cbm
Slower	Stable	Firm

LPG Rates

* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2018	High 2018
VLGC / 84,000	895 000	877 000	105 000	895 000
LGC / 60,000	550 000	550 000	375 000	550 000
MGC / 38,000	480 000	485 000	430 000	485 000
HDY SR / 20-22,000	440 000	440 000	395 000	450 000
HDY ETH / 17-22,000	700 000	700 000	700 000	770 000
ETH / 8-12,000	450 000	450 000	440 000	480 000
SR / 6,500	430 000	430 000	370 000	430 000
COASTER Asia	285 000	285 000	250 000	320 000
COASTER Europe	295 000	295 000	280 000	385 000

LPG/FOB prices (usd/tonne)

	Propane	Butane	ISO
FOB North Sea / ANSI	583.0	650.0	
Saudi Arabia / CP	600.0	635.0	
MT Belvieu (US Gulf)	549.7	545.9	593.3
Sonatrach : Bethioua	585.0	605.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2018	High 2018
East of Suez 155-165'cbm	100 000	90 000	35 000	100 000
West of Suez 155-165'cbm	90 000	85 000	44 000	90 000
1 yr TC 155-165'cbm	86 000	84 000	52 000	86 000

DRY BULK

Capesize

There has been another flat week with stable rates in both the Atlantic and the Pacific. A Pacific round has been around USD 15000 daily level. However by mid week, increased demand in the Atlantic immediately resulted in more resistance from the owners and improved rates in both basins. Trans Atlantic rates gained some USD 4000- 5000 daily. It is expected that rates will continue to improve over the next couple of days, before the Chinese holidays starts next week.

Panamax

With a strong increase in both the Atlantic and Pacific basin, the BPI index is up 147 points since last week, now at 1677 points. Especially the Atlantic hemisphere showed increased numbers as demand for tonnage was high for both inter-atlantic and fronthaul runs. A transatlantic round voyage currently yields around USD 14.000, and a short fronthaul from the continent pay around mid USD 21.000's. A transpacific round is currently priced at low 13k's.

Supramax

Positive development on rates. More gains for B Sea grain stems to Far East, where levels were closer to USD 23000. Firmer rates for USG for both trip to SE ASIA and to Cont. From ECSAM to Far east Ultramaxs saw USD 16k levels + bb for trip to Far East. Pacific basin facing troubles due to bad weather in the area. Beg of week coal runs from SE Asia to Indonesia were settled at USD 15-16k range. Clinker rounds from SE Asia to Bangladesh were fixed at USD 15k. Ultra from N China to SE Asia was covered at ca USD 13k. Nickel ore runs went at USD 13500 del/redel N China. SAFR to Singapore-Japan fixed at USD 13.500 + bb for supra open in Indian Ocean. Trip from AG to India payed ca USD 15k for del WCI.

GAS

Chartering

The VLGC market in the East has been relatively uneventful this week, nevertheless, freight continues to rise slowly but surely on the back of a limited supply of vessels during first half October. There is more length in the second half the of the month, however, as we are still in September potential lifters are yet to surface. Saudi CP for the month of October is expected to be announced later this week. In the Atlantic basin, the majority of fixtures concluded over the last week has been primarily focused on USG loading and West discharging. Freight rates are indeed healthy for such voyages and trading close USD 40 000 per day. There have been a few vessels fixed ex USG at levels at par with the current Baltic level.



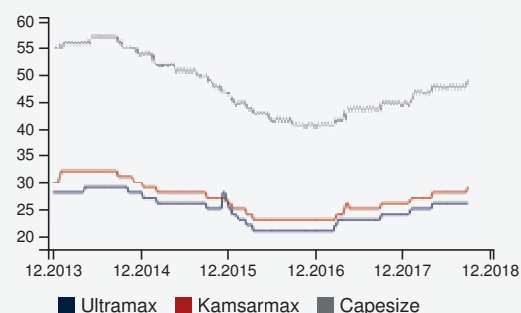
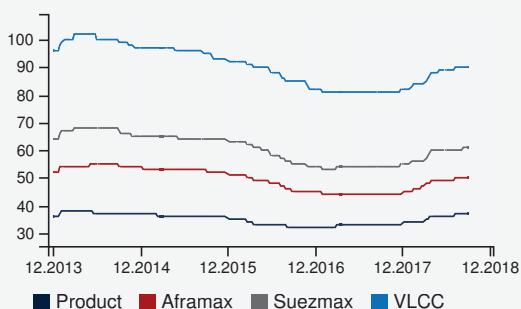
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Activity level

Tankers	Dry Bulk	Others
Moderate	Moderate	Moderate

Prices

Average Far Eastern Prices					
PRICES (mill usd)		This week	Last week	Low 2018	High 2018
VLCC	300'dwt	90.00	90.00	82.00	90.00
Suezmax	150'dwt	60.50	60.50	55.00	60.50
Aframax	110'dwt	50.00	50.00	44.50	50.00
Product	50'dwt	36.50	36.50	33.50	36.50
Capesize	180'dwt	48.50	48.00	45.00	48.50
Kamsarmax	82'dwt	28.50	28.00	26.00	28.50
Ultramax	64'dwt	26.00	26.00	24.00	26.00
LNGC	170'cbm - MEG	187.0	186.5	184.5	187.0



Market brief

	This week	Last week	Low 2018	High 2018
Rate of exchange				
USD/JPY	113.0	112.4	105.8	113.0
USD/KRW	1 114	1 121	1 061	1 133
USD/NOK	8.11	8.15	7.68	8.43
EUR/USD	1.18	1.17	1.13	1.25

Interest rate

LIBOR USD 6 mths	2.60	2.57	1.84	2.60
NIBOR NOK 6 mths	1.20	1.21	0.89	1.24

Commodity prices

Brent spot (USD)	81.60	79.15	62.46	81.60
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Bunker prices

Singapore	380 CST	491.0	465.0	360.0	491.0
	180 CST	523.0	473.0		523.0
	Gasoil	720.0	692.0	554.0	720.0
Rotterdam	380 HSFO	447.0	429.0		447.0
	180 CST	472.0	454.0		472.0
	Diesel	678.0	645.0	527.0	678.0

NEWBUILDING

In the tanker market this week Advantage Tankers went to Hanjin for four firm Aframaxes, price have been reported to \$ 46 m per vessel. Shunzan Kaiun have booked a firm Kamsarmax at the domestic yard Sanoyas, reported at a price of low \$ 30's m.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	2	61,530 dwt	DACKS	Wisdom Marine	2020		
BC	1	81,000 dwt	Sanoyas	Shunzan Kaiun	2020		
Cruise	2	470 pax	Tersan	Havila Kystruten	2020		TC to Norwegian Gov.
TANK	4	114,000 dwt	Hanjin Subic	Advantage Tankers	2020 / 2021		

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Seaways Sakura	298 641	2001	Hellenic Tankers	18,4	
MT	African Spirit	151 736	2003	Avin		
MT	Formosa Flacon	70 426	2005	European	16,5	Coated & Uncoiled
MT	FPMC P Alpine	70 426	2004			
MT	Great Manta	51 833	2013	PCL	27,50	BWTS installed
MT	Torm Neches	47 052	2000	Indonesian	7,80	
BC	Cape Dover	185 805	2006	Bright Navigation	22,00	
BC	Tenshu Maru	180 630	2010	BW	30,50	Eco
BC	Capitola	74 816	2001	Chinese	Undisclosed	
BC	Persus Ocean	53 549	2007	Indonesian	11,00	
BC	Eigen	50 249	1999	Indonesian	7,20	
BC	Unicorn Ocean	38 503	2011	Orient Shipping	15,20	
BC	Ocean Wealth	38 243	2012	Greek	14,80	
BC	IVS Shikra	29 664	2008	Greek	8,60	SS/DD passed August

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MT New Discovery	279 989	42 099	2000	Pakistani	450
MT Maiden Alpha	16 924	4 815	1991	Bangladeshi	365
CONT Armada Setia	8 286	2 940	1990	Bangladeshi	447